

AMENDED IN ASSEMBLY APRIL 29, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 707

**Introduced by Assembly Member Correa
(Coauthor: Assembly Member Firebaugh)**

February 19, 2003

An act to amend Section 51833 of the Education Code, relating to school curriculum.

LEGISLATIVE COUNSEL'S DIGEST

AB 707, as amended, Correa. School curriculum: personal financial management.

Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to plan and develop a one-semester instructional program entitled consumer economics for use in schools maintaining any of grades 7 to 12, inclusive, and to make that program available to all school districts and schools with grades 7 to 12, inclusive.

This bill would *instead require only the Superintendent of Public Instruction to plan and develop this one-semester instructional program and would require the ~~State Board of Education~~ Department of Consumer Affairs* and the Superintendent of Public Instruction to establish, by April 1, 2004, a Personal Financial Management Curriculum Task Force that would be required to develop curriculum and educational programs for grades 7 to 12, inclusive, in comprehensive personal financial management.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares as
2 follows:

3 (1) According to United States Census Bureau statistics,
4 1,276,900 individuals and corporations filed for bankruptcy
5 nationwide, with 160,600 of those filings in California.

6 (2) Bankruptcies have negative repercussions not only on
7 individuals but on the state's long-term financial health as high
8 rates of personal debt often precipitate a cooling of the state's
9 economy.

10 (3) A significant factor leading to personal financial distress is
11 a general lack of awareness of the importance of both short-term
12 and long-term financial planning, thereby increasing the
13 likelihood of financial instability and dependence.

14 (b) Therefore, it is the intent of the Legislature to require the
15 Superintendent of Public Instruction and the ~~State Board of~~
16 ~~Education~~ *Department of Consumer Affairs* to establish a task
17 force charged with developing a curriculum for grades 7 to 12,
18 inclusive, on the topic of personal financial management.

19 SEC. 2. Section 51833 of the Education Code is amended to
20 read:

21 51833. (a) The Superintendent of Public Instruction shall,
22 ~~with the approval of the State Board of Education~~, plan and
23 develop a one-semester instructional program entitled consumer
24 economics for use in schools maintaining any of grades 7 to 12,
25 inclusive. When completed, the program shall be made available
26 to all school districts and schools with grades 7 to 12, inclusive.

27 (b) The instructional program shall include, but not be limited
28 to, the following elements:

29 (1) Fundamentals of banking for personal use.

30 (2) Elementary contracts.

31 (3) Consumer guides to purchasing.

32 (4) Uses and costs of credit.

33 (5) Types and costs of insurance.

34 (6) Forms of governmental taxation.

1 (c) By April 1, 2004, the ~~State Board of Education~~ *Department*
2 *of Consumer Affairs* and the Superintendent of Public Instruction
3 shall establish a Personal Financial Management Curriculum Task
4 Force. The task force shall develop curriculum and educational
5 programs for grades 7 to 12, inclusive, in comprehensive personal
6 financial management, including, but not limited to, consumer
7 education, debt management, and financial planning. Members of
8 the task force may include representatives of banking and financial
9 institutions, credit unions, and consumer credit counseling
10 services, consumers, consumer advocates, educators, financial
11 planners, and economists.

